

RESOLUTION NO. 11-01

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING (I) AN AMENDED AND RESTATED INDENTURE AND AN AMENDED AND RESTATED LOAN AGREEMENT TO ADD AN INDEX RATE METHOD OF CALCULATING INTEREST ON, AND (II) A TAX AGREEMENT IN RELATION TO AN ANTICIPATED TAX REISSUANCE WITH RESPECT TO, THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK VARIABLE RATE DEMAND REVENUE BONDS (THE COLBURN SCHOOL), SERIES 2008

WHEREAS, the California Infrastructure and Economic Development Bank (the “Issuer”) was established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) (the “Act”), for the purpose of promoting economic development; and

WHEREAS, the Issuer is authorized to issue tax-exempt revenue bonds to provide financing for economic development facilities (as defined in the Act) located in the State of California; and

WHEREAS, on December 9, 2008, the Issuer issued its Variable Rate Demand Revenue Bonds, Series 2008 (The Colburn School) (the “Bonds”) in an aggregate principal amount of \$69,190,000, pursuant to an Indenture, dated as of December 1, 2008 (the “Original Indenture”), between the Issuer and Wells Fargo Bank, National Association, as trustee (the “Trustee”) and loaned the proceeds of such Bonds to The Colburn School, a California nonprofit public benefit corporation (the “Borrower”), pursuant to a Loan Agreement, dated as of December 1, 2008 (the “Original Loan Agreement”), between the Borrower and the Issuer, for the purpose of refunding certain bonds previously issued by the Bank to finance costs of the construction, furnishing, renovation, and equipping of certain educational facilities all of which are located in the City of Los Angeles and are owned or used by the Borrower, and certain costs of issuance in connection therewith; and

WHEREAS, principal, purchase price and interest payments with respect to the Bonds are currently secured by a letter of credit (the “Current Credit Facility”) provided by Allied Irish Banks, p.l.c., acting through its New York Branch (the “Current Credit Provider”); and

WHEREAS, as a result of the downgrading of the credit rating of the Current Credit Provider, the Borrower desires to have the Original Indenture amended to include an additional interest rate calculation method for the Bonds based on the London Interbank Offered Rate (“LIBOR”) index (the “Index Rate”); to have the interest rate on the Bonds adjusted to bear interest at an Index Rate and for the Bonds to be held by a qualified institutional buyer as described in Section 144A promulgated pursuant to the Securities Act of 1933, as amended (“Qualified Institutional Buyer”); to eliminate the requirement for a Credit Facility when the Bonds are held by a Qualified Institutional Buyer; all in anticipation of the remarketing of Bonds

bearing an Index Rate of interest to Wells Fargo Bank, National Association, a Qualified Institutional Buyer; and

WHEREAS, the Borrower has requested that the Issuer and the Trustee amend and restate the Original Indenture and the Original Loan Agreement to provide for the aforementioned changes; and

WHEREAS, Section 9.01(l) of the Original Indenture, provides that the Issuer and the Trustee may enter into amendments of the type contemplated herein to the Original Indenture and the Original Loan Agreement, without the consent of any Bondholders, but with the prior written consent of the Borrower and the Current Credit Provider (the “Indenture Amendment Consents”), if Notice by Mail of the proposed amendments is given to Holders of the Bonds at least thirty (30) days before the effective date of such amendments (the “Effective Date”) and, on or before the Effective Date, such Bondholders have the right to demand purchase of their Bonds; and

WHEREAS, Section 26 of the Original Loan Agreement, provides that amendments to the Original Loan Agreement are effective only with the written consent of the Trustee and the Current Credit Provider (the “Loan Agreement Consents”); and

WHEREAS, the amendments of the Original Indenture and Original Loan Agreement and the remarketing of the Bonds bearing interest at a newly authorized Index Rate creates a substantial change in the terms of the Bonds, which change causes the Bonds to be treated as reissued for federal tax purposes and will require a new tax certificate and agreement to be entered into between the Borrower and the Issuer; and

WHEREAS, there is now on file with the Secretary (the “Secretary”) of the Board of Directors of the Issuer (the “Board”) the following:

- 1) A proposed form of an amended and restated indenture, to be entered into between the Issuer and the Trustee;
- 2) A proposed form of an amended and restated loan agreement, to be entered into between the Issuer and the Borrower; and
- 3) A proposed form of a tax certificate and agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board, as follows:

Section 1. The above recitals are true and correct.

Section 2. The proposed form of amended and restated indenture on file with the Secretary is hereby approved, and the Chair of the Board, the Chair’s designee and the Executive Director of the Issuer (the “Executive Director”), each acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and deliver an amended and restated indenture to the Trustee in substantially said form, with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with the advice of the Issuer’s

counsel, may require or approve, such requirement or approval to be conclusively evidenced by the delivery thereof (as so executed, the “Amended and Restated Indenture”); provided, however, that the Amended and Restated Indenture shall provide for replacement Bonds with terms that are consistent with this resolution and shall permit such Bonds to be remarketed without a credit rating that meets the Issuer’s current credit rating policy only if such Bonds are remarketed to a Qualified Institutional Buyer that provides confirmation of its status and willingness to comply with the resale restrictions of the Amended and Restated Indenture, which certifications have been approved by Issuer’s counsel. The Secretary is authorized to attest to the Issuer’s execution of the Amended and Restated Indenture.

Section 3. The proposed form of the amended and restated loan agreement on file with the Secretary is hereby approved, and the Chair of the Board, the Chair’s designee and the Executive Director, each acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and deliver an amended and restated loan agreement in substantially said form, with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with the advice of the Issuer’s counsel, may require or approve, such requirement or approval to be conclusively evidenced by the delivery thereof (as so executed, the “Amended and Restated Loan Agreement”). The Secretary is authorized to attest to the Issuer’s execution of the Amended and Restated Loan Agreement.

Section 4. The proposed form of the tax certificate and agreement on file with the Secretary is hereby approved, and the Chair of the Board, the Chair’s designee and the Executive Director, each acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and deliver a tax certificate and agreement in substantially said form, with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with the advice of the Issuer’s counsel, may require or approve, such requirement or approval to be conclusively evidenced by the delivery thereof.

Section 5. The Executive Director, the Chair of the Board and the Chair’s designee, each acting alone, is hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute replacement Bonds in an aggregate principal amount not to exceed the currently outstanding principal amount of Bonds in accordance with the terms of this resolution and the Amended and Restated Indenture and in the form set forth in the Amended and Restated Indenture. The Bonds shall be subject to redemption as provided in the Indenture, including a mandatory redemption of bonds that are not remarketed after each period in which the Bonds bear interest at an Index Rate and provisions relating to purchase in lieu of redemption. The Bonds shall bear interest at a rate or rates to be determined in accordance with the Indenture, including the Index Rate, which rates, including the rates paid on Bank Bonds (as defined in the Original Indenture) shall not exceed the lesser of fifteen percent (15%) per annum or the maximum rate of interest on the Bonds permitted by the laws of the State. The Bonds shall be issued in denominations as provided in the Amended and Restated Indenture, which shall during any period in which the Bonds bear interest at an Index Rate and during which the Bonds are required to be held by Qualified Institutional Buyers, \$500,000 and any integral multiple of \$5,000 in excess thereof. The replacement Bonds, when so executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to

authenticate and register the replacement Bonds so delivered by executing the appropriate certificate of authentication and registration appearing thereon, and to deliver the new Bonds, when duly executed, authenticated and registered.

Section 6. The Chair of the Board, the Chair's designee and the Executive Director, each acting alone, is hereby authorized to execute all certificates and instruments (including without limitation letters of representations, certifications of authority and tax forms required by the Internal Revenue Service in connection with the reissuance of the Bonds) which they or counsel to the Issuer may deem necessary or advisable to effectuate the purpose of this resolution.

Section 7. The signatures of the Issuer to the Amended and Restated Indenture and Amended and Restated Loan Agreement authorized by this resolution shall be deemed effective no earlier than the Effective Date and not until the Loan Agreement Consents and Indenture Amendment Consents have been received by the Trustee.

Section 8. All actions heretofore taken by the officers, employees and agents of the Issuer with respect to the actions contemplated by this resolution are hereby approved, confirmed and ratified. The officers of the Issuer and their authorized designees, deputies, agents and counsel are hereby authorized and directed, jointly and severally, to perform their duties and to execute and deliver any and all certificates which they or counsel to the Issuer, may deem necessary or advisable in order to effectuate the purposes of this resolution.

Section 9. This resolution shall take effect immediately upon its passage.

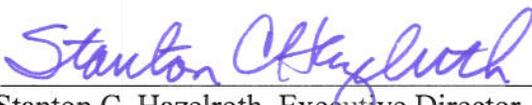
PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on January 25, 2011, by the following vote:

AYES: Stevens, Lujano, Ingenito, Lopez, Rice

NOES: None

ABSENT: None

ABSTAIN: None

By 
Stanton C. Hazelroth, Executive Director

Attest:

By 
Roma Cristia-Plant,
Secretary of the Board